

APRIL 4, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON APRIL 4, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON APRIL 4, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGE 1 TO 12; SURFACE ACTIONS AS LISTED ON PAGES 12 TO 24; DEVELOPMENT ACTIONS AS LISTED ON PAGES 24 TO 28; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGES 28 TO 29; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGE 30.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 5:00 P.M. ON FRIDAY, APRIL 18, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION


LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

AMENDED AND RESTATED BUILDING STONE/LIMESTONE LEASE ML 35572 (SCH)

The following-described Building Stone/Limestone Lease is subject to readjustment in terms and conditions as the Director determines is in the best interest of the Trust. The property is within the Cricket Mountain Mining Unit Agreement. Adjustments to the lease include increasing the rental rate from \$1 to \$3 per acre, the minimum royalty is three (3) times the rental, and the production royalty base increased from \$0.20 to \$0.30 per ton subject to annual adjustment using the PPI-Commodities Annual Index for Finished Goods. The lease was first issued on March 13, 1978, with a primary term of 20 years and subject to adjustment at the end of each 10 year period. The end of the current period was March 31, 2008, and the terms of the amended lease are effective April 1, 2008.

ML 35572

Graymont Western US Inc.
3950 South 700 East, Suite 301
Salt Lake City, UT 84107

T 21S, R10W, SLB&M.

SECTION 36: ALL

Millard

1300.54 acres

T22S, R10W, SLB&M.

SECTION 2: LOTS 1, 2, 3, 4, S½N½, S½ [ALL]

Upon recommendation of Mr. Blake and Mr. Harden, the Director approved the Amended and Restated Agreement for Lease ML 35572.

CRICKET MOUNTAIN MINING UNIT AGREEMENT

In the following-described unit agreement, SITLA is currently the lessor and Graymont is currently the lessee of two state Building Stone/Limestone leases, respectively numbered ML 35572 and ML 46024, (the "Subject Leases"). Graymont owns, in fee, the surface and mineral estates adjacent to the leased lands which are subject to Special Warranty Royalty Deeds in favor of SITLA, identified as ML 48327 OBA, and ML 48729 OBA, (the "Fee Lands"). These leases and deeds are located, in part, within and adjoining the Cricket Mountain Mine operations in Millard County, which is owned and operated by Graymont. The mining complex consists of active mining operations designed to sequentially recover building stone/limestone reserves from both the subject leases and fee lands, within the mining complex, in a logical and economical manner for the benefit of both Graymont and SITLA. The subject leases and fee lands are subject to the terms of each of the subject instruments as set forth in those documents. The effective date of the Unit Agreement is April 1, 2002, and shall remain in effect for a term of ten (10) years from and after April 1, 2008, unless otherwise amended or extended.

CRICKET MOUNTAIN MINING UNIT AGREEMENT

Graymont Western US INC.
3950 South 700 East, Suite 301
Salt Lake City, UT 84107

MILLARD

Total Area - 5280.41 acres

CRICKET MOUNTAIN MINING UNIT AGREEMENT (CONTINUED)

SUBJECT LEASES (Subject to the following mineral leases)

ML 35572 – 1300.64 acres (Mineral Lease)

T21S, R10W, SLB&M., Sec. 36: ALL

T22S, R10W, SLB&M., Sec. 2: LOTS 1, 2, 3, 4, S½N½, S½ [ALL]

ML 46024 – 640.00 acres (Mineral Lease)

T22S, R10W, SLB&M., Sec. 16: ALL

FEE LANDS (Subject to the following special royalty interest deeds)

ML 48327 OBA – 2077.03 acres (Royalty Interest Only)

T21S, R9W, SLB&M., Sec. 30: SE¼SW¼, S½SE¼

T21S, R9W, SLB&M., Sec. 31: W½NE¼NE¼, W½NE¼, E½NW¼

T21S, R10W, SLB&M., Sec. 24: LOTS 1(28.15), 2(6.98), 3(7.25) (Lots part of W½SW¼)

T21S, R10W, SLB&M., Sec. 25: LOTS 1(20.13), 2(36.07), 3(25.36), 4(25.38), W½SW¼NE¼, SE¼NW¼, E½SW¼, SE¼ (Lots part of W½W½)

T21S, R10W, SLB&M., Sec. 26: Lots 1(3.86), 2(18.47), 3(18.47), 4(18.46), 5(18.45), E½W½NE¼, SW¼SW¼NE¼, W½SW¼ (Lots part of E½E½)

T22S, R10W, SLB&M., Sec. 2: SE¼SW¼, SE¼

T22S, R10W, SLB&M., Sec. 10: ALL

T22S, R10W, SLB&M., Sec. 11: W½W½NE¼, NW¼, N½SW¼

ML 48729 OBA – 1802.74 acres (Royalty Interest Only)

T21S, R9W, SLB&M., Sec. 19: LOTS 3(43.41), 4(43.52), E½, E½W½ (Lots part of W½SW¼)

T21S, R9W, SLB&M., Sec. 30: LOTS 1(43.57), 2(43.54), 3(43.52), 4(43.49), NE¼, E½NW¼, NE¼SW¼, N½SE¼ (Lots part of W½W½)

T21S, R10W, SLB&M., Sec. 24: E½SW¼, SE¼

T21S, R10W, SLB&M., Sec. 25: N½NE¼, E½SW¼NE¼, SE¼NE¼, NE¼NW¼

T21S, R10W, SLB&M., Sec. 35: LOTS 1(3.48), 2(0.42), 3(37.39), W½NE¼, SE¼ (Lots part of E½NE¼)

Upon recommendation of Mr. Blake and Mr. Harden, the Director approved the Cricket Mountain Mining Unit Agreement and committed ML 35572 and ML 46024 to the Unit.

CANCELLATION OF MINERAL LEASE ML 29434 (SCH) - LIMESTONE

The following mineral lease reached the end of its current lease year on March 31, 2008. The lease was originally approved on March 20, 1973, with an effective date of April 1, 1973, for a primary term of ten years and so long thereafter as limestone may be produced in commercial quantities from the leased lands, provided that lessor may readjust the terms and conditions of the lease at the end of each interval of twenty years. The lease was first tardily readjusted on January 4, 1995, effective April 1, 1995, under authority of certain Rules of the School and Institutional Trust Lands Administration which were in effect at that time. Said readjustment amended the lease to a ten-year readjustment schedule (i.e. ten-year intervals from the original effective date of the lease), and the lease was readjusted again on March 26, 2003, effective date of April 1, 2003. The second readjustment stipulated that the lease may not be extended beyond the end of the twentieth year (i.e., the twentieth year from the original effective date of April 1, 1973) except by commercial production of the leased substances from the leased lands. No production of the leased substances has been reported since the fourth quarter of 2006. Since that time, the lessee has engaged in mined land reclamation of the leased lands. Such reclamation is now complete. Because the term of the lease is beyond the twentieth year without

CANCELLATION OF MINERAL LEASE ML 29434 (SCH) - LIMESTONE (CONTINUED)

annual production, the lease has terminated under its own terms and conditions and should be canceled on the records of the Trust Lands Administration. Mined land reclamation performed by the lessee necessitated access to the lands. Annual lease payments made by the lessee during the reclamation period should, therefore, be considered as income earned by the Trust Lands Administration. On cancellation of this lease, the lands are open and available for limestone mineral leasing through negotiated lease agreements, or the OBA process, although the limestone resource is now depleted to the elevation of the surrounding terrain.

<u>ML 29434</u>	<u>T21S, R1E, SLB&M.</u>	Sevier
Western Clay Company	Sec. 5: S½SW¼	120.00 acres
P.O. Box 1067	Sec. 8: NW¼NW¼	
Aurora, UT 84620		

Upon recommendation of Mr. Blake, the Director approved cancellation of the above-numbered lease.

CANCELLATION OF MINERAL LEASE ML 43854 (SCH) - BUILDING STONE/LIMESTONE

The following mineral lease was originally approved on March 21, 1988, with an effective date of April 1, 1988, for a primary term of ten years and so long thereafter as the leased substances may be produced in commercial quantities from the leased lands, provided that lessor may readjust the terms and conditions of the lease at the end of each interval of ten years. The lease was accordingly readjusted on April 1, 1998, and is presently due for a new ten-year readjustment effective April 1, 2008. The 1998 lease readjustment, however, stipulated that the lease may not be extended beyond the end of the twentieth year (i.e., the twentieth year from the original effective date of April 1, 1988) except by commercial production of the leased substances from the leased lands. Production in commercial quantities may be defined, under accounting principles, as production that yields at least enough revenue to cover all necessary expenses of the business operation including the payment of annual lease rentals and minimum royalties. Annual billing parameters for this lease total \$504. During the past lease year, the lessee produced enough of the leased substances to generate an income of only \$105.33, far short of the \$504 actually paid for the annual lease payment in 2007. The lease has not met the requirement of commercial production during the past lease year and should be canceled effective March 31, 2008. On cancellation of this lease, the lands are open and available for limestone mineral leasing through negotiated lease agreements or the OBA process.

<u>ML 43854</u>	<u>T23S, R6W, SLB&M.</u>	Millard
Robert M. Robison	Sec. 2: Lot 9 (NE¼NW¼), Lot 10 (NW¼NE¼)	83.01 acres
5854 So. Ayrshire Dr.		
Salt Lake City, UT 84107		

Upon recommendation of Mr. Blake, the Director approved cancellation of the above-numbered lease.

EXPIRATION OF MINERAL MATERIALS PERMITS

The following Mineral Materials Permits for Building Stone materials reached the end of their terms on March 31, 2008, and are expired. The respective permittees no longer have any rights to extract any mineral materials from the permitted lands. The lands are available for application for the issuance of new permits.

<u>ML 50768-MP</u>	<u>T6S, R1W, SLB&M.</u>	Utah
Cheyenne Stone Supply	Sec. 32: S½SW¼	80.00 acres
4932 W. Morning Laurel Lane		
West Jordan, UT 84088		

Mineral Commodity: Rubble Rock

FUND: SCH

<u>ML 50769-MP</u>	<u>T43S, R15W, SLB&M.</u>	Washington
Feller Enterprises	Sec. 15: E½SW¼, W½SE¼	160.00 acres
708 East 1100 South		
St. George, UT 84790		

Mineral Commodity: Desert Varnish Sandstone Boulders

FUND: SCH

This item is submitted by Mr. Blake for record-keeping purposes only.

WITHDRAWAL OF TRUST LANDS FROM OVER-THE-COUNTER LEASING OF GEOTHERMAL RESOURCES – WDRN 63

Recent increased interest in lease of geothermal resources on trust lands has created a competitive environment for lease of the geothermal resource. In order to fairly serve interested parties and to serve the best interest of the Trust, the Minerals Group recommends that the Director, under the authority provided for in Section 53C-2-105, approve the withdrawal of all trust lands from over-the-counter leasing and provide for lease of geothermal resources through the sealed competitive bid lease process only. This withdrawal has been entered into the business system as an application for withdrawal under Withdrawal 63 (WDRN 63).

Upon recommendation of Mr. Stokes, the Director approved the above-listed withdrawal (WDRN 63).

CANCELLATION OF GEOTHERMAL LEASE ML 51100 AND REFUND OF FIRST YEAR'S ANNUAL RENTAL

Intermountain Renewable Power, LLC ("IRP") applied for Geothermal lease of All of Section 16, T31S, R11W, SLB&M., on October 17, 2007, under application number ML 51100. On October 30, 2007, IRP submitted Geothermal Application ML 51152, which included the referenced lands as well as other lands. As the first application, ML 51100, was not noted in the business system as an active contract, the second application, ML 51152, was also processed and approved. Subsequently, both lease applications were approved for lease of the same lands under two different lease numbers. To correct this discrepancy and to avoid double rental payment for double lease of the same lands, Geothermal Lease ML 51100 should be canceled and the **first year's annual rental of \$640 paid under this lease should be refunded to Intermountain Renewable Power at 5152 North Edgewood Drive, Suite 375, Provo, UT 84601.**

Upon recommendation of Mr. Stokes, the Director approved cancellation of Geothermal Lease ML 51100 and a **refund to the lessee of the first year's annual rental in the amount of \$640.**

TOTAL ASSIGNMENT – OIL, GAS, AND HYDROCARBON LEASE

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty. (**REFUND: \$150.00 - Overpayment of filing fees to Jimar Resources Corporation, 2923 Fairmount St., Dallas, TX 75201-1457.**)

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

**DOMINION EXPLORATION &
PRODUCTION, INC. - 100%**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

XTO ENERGY INC. - - 100%

....ML 42195 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in and to the leases listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. - 75%,
**DOMINION EXPLORATION &
PRODUCTION, INC. - 25%**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. - 75%,
XTO ENERGY INC. - - 25%

....ML 47052 (SCH)....ML 47053 (SCH)....ML 47054 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***DOMINION EXPLORATION &
PRODUCTION, INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***XTO ENERGY INC. – 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%***

....ML 47068 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 65% interest in and to the lease listed below to Elk Resources, LLC (35%), 1401 17th Street, Suite 700, Denver, CO 80202; and El Paso E & P Company, L.P. (30%), 1225 17th Street, Suite 1900, Denver, CO 80202, by Newfield Production Company. No override.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***NEWFIELD PRODUCTION COMPANY - 35%,
ELK RESOURCES, LLC - 35%,
EL PASO E & P COMPANY, L.P. - 30%***

....ML 50608 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to ConocoPhillips Company, 600 N. Dairy Ashford, Houston, TX 77079, by Bill Barrett Corporation. No override, but subject to 4% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

BILL BARRETT CORPORATION - 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***BILL BARRETT CORPORATION - 50%,
CONOCOPHILLIPS COMPANY - 50%***

....***ML 49809*** (SCH: 1240.00; IB: 60.00)....***ML 49810*** (SCH)....***ML 49815*** (SCH)....***ML 49820*** (SCH)....
....***ML 49821*** (SCH)....***ML 49828*** (SCH)....***ML 49829*** (SCH: 149.79; SM: 40.00)....***ML 49830*** (SCH)....
....***ML 49928*** (SCH)....***ML 49929*** (SCH)....***ML 49930*** (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 9.5% interest in and to the lease listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Del-Rio Resources, Inc. No override, but subject previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHICAGO ENERGY ASSOCIATES LLC - 50%,
FLAT ROCK GAS LLC - 40%,
DEL-RIO RESOURCES, INC. - 9.5%,
RETAMCO OPERATING, INC. - .5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

CHICAGO ENERGY ASSOCIATES LLC - 50%,
FLAT ROCK GAS LLC - 40%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 9.5%
RETAMCO OPERATING, INC. - .5%

....ML 50734 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of .5% interest in and to the lease listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Retamco Operating, Inc. No override, but subject previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHICAGO ENERGY ASSOCIATES LLC - 50%,
FLAT ROCK GAS LLC - 40%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 9.5%,
RETAMCO OPERATING, INC. - .5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

CHICAGO ENERGY ASSOCIATES LLC - 50%,
FLAT ROCK GAS LLC - 40%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 10%

....ML 50734 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0521, by Pogo Producing Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

POGO PRODUCING COMPANY LLC - 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

POGO PRODUCING COMPANY LLC - 50%,
OXY USA INC. - 50%

....ML 49339 (SCH)....ML 49340 (SCH)....

....ML 49372 (SCH: 720.00; MH: 41.35; NS: 40.00; IB: 40.00; RES: 40.00; USU: 28.50)....

....ML 49464 (SCH: 5.00; IB: 120.00; SYDC: 20.00)....ML 49466 (SCH: 1469.02; MH: 80.00)

....ML 49471 (SCH)....ML 49472 (SCH)....ML 49473 (SCH)....ML 49474 (SCH)....ML 49475 (SCH)....

....ML 49477 (SCH)....ML 49478 (SCH: 689.67; MH: 242.48)....ML 49479 (SCH)....ML 49480 (SCH)....

....ML 49481 (SCH)....ML 49501 (SCH)....ML 49522 (SCH)....ML 49523 (SCH: 532.35; MH: 480.00)....

....ML 49524 (SCH: 750.00; MH: 240.00)....ML 49525 (SCH)....ML 49526 (SCH)....ML 49528 (SCH)....

....ML 49529 (SCH)....ML 49534 (SCH)....ML 49537 (SCH)....

....ML 49544 (SCH: 33.47; USU: 48.00; NS: 40.00)....ML 49634 (SCH)....ML 49639 (SCH)....ML 49686 (SCH)....

....ML 49687 (SCH)....ML 49688 (SCH: 1781.47; IB: 200.00)....ML 49689 (SCH: 394.82; MH: 320.00)....

....ML 49690 (SCH)....ML 49692 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 100% interest in operating rights in part of lands: W½ Sec. 32, T15S, R23E, SLB&M., 320.00 acres in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Oklahoma Texas Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

BEARTOOTH OIL & GAS COMPANY - 50%,
RB OIL COMPANY - 25%,
SARCO, INC. - 25%

OPERATING RIGHTS:

T15S, R23E, SLB&M. 320.00 ACRES

SEC. 32: W½

DOMINION OKLAHOMA TEXAS

EXPLORATION & PRODUCTION INC. - 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

BEARTOOTH OIL & GAS COMPANY - 50%,
RB OIL COMPANY - 25%,
SARCO, INC. - 25%

OPERATING RIGHTS:

T15S, R23E, SLB&M. 320.00 ACRES

SEC. 32: W½

XTO ENERGY INC. - 100%

...ML 46629 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 62.50% interest in operating rights as to all depths below the base of the Green River Formation defined as the stratigraphic equivalent of 40' below the base of the "C" Shale Marker found at subsurface depth of 5340' as shown on the electric log for the Chandler West River Bend #3-12-10-15 Well in the NW¼ of Sec. 32, T10S, R15E, SLB&M., in part of lands: All Sec. 16; SW¼NE¼ Sec. 20, T12S, R14E, SLB&M., 680.00 acres in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. - 75%,
XTO ENERGY INC. - 25%

OPERATING RIGHTS: BELOW BASE OF GREEN RIVER FORMATION (5340')

T12S, R14E, SLB&M. 680.00 ACRES

SEC. 16: ALL

SEC. 20: SW¼NE¼

DOMINION EXPLORATION & PRODUCTION INC. - 62.50%,

EOG RESOURCES INC. - 37.50%

BELOW BASE OF GREEN RIVER TO 9691'

T12S, R14E, SLB&M. 80.00 ACRES

SEC. 15: S½SW¼

DOMINION EXPLORATION & PRODUCTION, INC. - 62.50%,

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. - 75%,
XTO ENERGY INC. - 25%

OPERATING RIGHTS: BELOW BASE OF GREEN RIVER FORMATION (5340')

T12S, R14E, SLB&M. 680.00 ACRES

SEC. 16: ALL

SEC. 20: SW¼NE¼

XTO ENERGY INC. - 62.50%,

EOG RESOURCES INC. - 37.50%

BELOW BASE OF GREEN RIVER TO 9691'

T12S, R14E, SLB&M. 80.00 ACRES

SEC. 15: S½SW¼

DOMINION EXPLORATION & PRODUCTION, INC. - 62.50%,

BILL BARRETT CORPORATION - 26.25%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

BILL BARRETT CORPORATION - 26.25%,
EOG RESOURCES INC. - 11.25%
9691' DOWN
T12S, R14E, SLB&M. 80.00 ACRES
SEC. 15: S½SW¼
DOMINION EXPLORATION & PRODUCTION,
INC. - 55%,
EOG RESOURCES INC. - 26.25%,
GASCO PRODUCTION COMPANY - 18.75%
SURFACE TO BASE OF GREEN RIVER FORMATION
T12S, R14E, SLB&M. 80.00 ACRES
SEC. 15: S½SW¼
BILL BARRETT CORPORATION - 52.50%,
EOG RESOURCES INC. - 22.50%,
GASCO PRODUCTION COMPANY - 18.75%
DOMINION EXPLORATION & PRODUCTION
INC. - 6.25%
T12S, R14E, SLB&M. 680.00 ACRES
SEC. 16: ALL
SEC. 17: SW¼NE¼
EOG RESOURCES INC. - 75%,
GASCO PRODUCTION COMPANY - 18.75%,
DOMINION EXPLORATION & PRODUCTION
INC. - 6.25%

EOG RESOURCES INC. - 11.25%
9691' DOWN
T12S, R14E, SLB&M. 80.00 ACRES
SEC. 15: S½SW¼
DOMINION EXPLORATION & PRODUCTION,
INC. - 55%,
EOG RESOURCES INC. - 26.25%,
GASCO PRODUCTION COMPANY - 18.75%
SURFACE TO BASE OF GREEN RIVER FORMATION
T12S, R14E, SLB&M. 80.00 ACRES
SEC. 15: S½SW¼
BILL BARRETT CORPORATION - 52.50%,
EOG RESOURCES INC. - 22.50%,
GASCO PRODUCTION COMPANY - 18.75%,
DOMINION EXPLORATION & PRODUCTION
INC. - 6.25%
T12S, R14E, SLB&M. 680.00 ACRES
SEC. 16: ALL
SEC. 17: SW¼NE¼
EOG RESOURCES INC. - 75%,
GASCO PRODUCTION COMPANY - 18.75%,
DOMINION EXPLORATION & PRODUCTION
INC. - 6.25%

....ML 45798 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 14.21875% interest in operating rights from a depth of 4361' subsurface to a depth of 5340' subsurface, **ALSO**, assignment of 39.21875% interest in operating rights from a depth of 5340' subsurface to a depth of 9600' subsurface in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%,
DOMINION EXPLORATION & PRODUCTION,
INC. - 25%,
ALAN B. NICOL - 12.5%,
JAMES P. ROONEY - 12.5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%,
DOMINION EXPLORATION & PRODUCTION,
INC. - 25%
ALAN B. NICOL - 12.5%,
JAMES P. ROONEY - 12.5%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

OPERATING RIGHTS:

BASE OF GREEN (4361') TO 5340'

PENDRAGO ENERGY PARTNERS INC. - 50%,
QEP UINTA BASIN, INC. - 28.125%,
DOMINION EXPLORATION & PRODUCTION, INC. - 14.21875%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 7.65625%

5340' TO 9600'

DOMINION EXPLORATION & PRODUCTION, INC. - 39.21875%,
III EXPLORATION COMPANY - 28.125%,
JAMES P. ROONEY - 12.5%,
ALAN B. NICOL - 12.5%
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 7.65625%

...ML 47058 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in operating rights as to all depths below the base of the Green River Formation in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. - 75%,
GASCO PRODUCTION COMPANY - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION (5340')

EOG RESOURCES INC. - 75%,
GASCO PRODUCTION COMPANY - 18.75%,
BREK PETROLEUM INC. - 6.25%

BELOW BASE OF GREEN RIVER FORMATION (5340')

DOMINION EXPLORATION & PRODUCTION, INC. - 25%

EOG RESOURCES INC. - 25%,
GASCO PRODUCTION COMPANY - 18.75%,
LANCE OIL & GAS COMPANY, INC. - 12.5%,
BERRY PETROLEUM COMPANY - 12.5%,
BREK PETROLEUM, INC. - 6.25%

...ML 47066 (SCH)....

OPERATING RIGHTS:

BASE OF GREEN (4361') TO 5340'

PENDRAGON ENEGY PARTNERS INC. - 50%,
QEP UINTA BASIN, INC. - 28.125%,
XTO ENERGY INC. - 14.21875%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 7.65625%

5340' TO 9600'

XTO ENERGY INC. - 39.21875%,
III EXPLORATION COMPANY - 28.125%,
JAMES P. ROONEY - 12.5%,
ALAN B. NICOL - 12.5%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 7.65625%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

EOG RESOURCES INC. - 75%,
GASCO PRODUCTION COMPANY - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION (5340')

EOG RESOURCES INC. - 75%,
GASCO PRODUCTION COMPANY - 18.75%,
BREK PETROLEUM INC. - 6.25%

BELOW BASE OF GREEN RIVER FORMATION (5340')

XTO ENERGY INC. - 25%,
EOG RESOURCES INC. - 25%,
GASCO PRODUCTION COMPANY - 18.75%,
LANCE OIL & GAS COMPANY, INC. - 12.5%,
BERRY PETROLEUM COMPANY - 12.5%,
BREK PETROLEUM, INC. - 6.25%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights as to all depths below the base of the Green River Formation in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Dominion Exploration & Production, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DOMINION EXPLORATION & PRODUCTION,
INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%

OPERATING RIGHTS: SURFACE TO BASE OF
GREEN RIVER FORMATION (5380')

PENDRAGON ENERGY PARTNERS INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY INC. – 21.875%

***BELOW BASE OF GREEN RIVER FORMATION
(5380')***

***DOMINION EXPLORATION & PRODUCTION,
INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

DOMINION EXPLORATION & PRODUCTION,
INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%

OPERATING RIGHTS: SURFACE TO BASE OF
GREEN RIVER FORMATION (5380')

PENDRAGON ENERGY PARTNERS INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY INC. – 21.875%

***BELOW BASE OF GREEN RIVER FORMATION
(5380')***

***XTO ENERGY INC. - 50%,
III EXPLORATION COMPANY - 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY - 21.875%***

....ML 47068 (SCH)....

**NAME CHANGE - ELK RESOURCES, INC. TO ELK RESOURCES, LLC - ML 47210 (SCH),
ML 48374 (UNIV), ML 48693 (SCH), ML 49754 (SCH), ML 49885 (SCH), ML 49886 (SCH), ML 49887 (SM),
ML 49888 (SM), ML 49956 (SCH), ML 50798 (SCH), ML 50801 (SCH) - OIL, GAS, AND HYDROCARBON
LEASES**

This office is in receipt of evidence that effective February 26, 2008, Elk Resources, Inc. changed their name to Elk Resources, LLC, 1401 17th Street, Suite 700, Denver, CO 80202, covering the above-numbered leases. The fee of \$15.00 per lease has been received.

This item is submitted by Ms. Garrison for record-keeping purposes only.

CORRECTION OF DIRECTOR'S MINUTES OF DECEMBER 5, 2003 - ML 47058 (SCH) - OIL, GAS, AND HYDROCARBON

The Director, on December 5, 2003, approved the assignment of 21.875% interest in and to the above-numbered lease to Questar Exploration and Production Company by QEP Uinta Basin Inc. It has been discovered that in addition to record title interest being assigned, it should also have been approved as to 21.875 % interest in operating rights below the Base of the Green River Formation in the above-numbered lease.

Upon recommendation of Ms. Garrison, the Director approved the above-listed correction.

S U R F A C E A C T I O N S

MODIFIED GRAZING PERMITS

MODIFIED GRAZING PERMIT NO. 4 (CANCELLATION)

MGP 4 is issued to David Rasmussen, 78 West 3325 North, Vernal, UT 84078. The following described land was conveyed out of Trust Lands' ownership on March 14, 2008, via Exchange No. 325.

T1S, R25E, SLB&M

Section 2: Lots 2-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ 60.23 AUMs

As this is all of the land in MGP 4, this permit should be canceled. A certified letter was sent to notify the permittee of this action. School Fund. Daggett County.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the cancellation of MGP 4.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5145 (APPROVAL)

On March 28, 2008, the School and Institutional Trust Lands Administration received an application from Western Spirit Cycling, 478 Mill Creek, Moab, UT 84532, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial guide services for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts, based on number of clients, number of client days, and percentage of time spent on trust land, within 30 days of permit expiration date. Beginning date: April 1, 2008. Expiration date: March 31, 2009. Funding: School = 96.00%, USU = 0.72%, Deaf = 0.17%, USH = 0.09%, Blind = 0.51%, MH = 0.20%, NS = 0.19%, PB = 0.09%, SYDC = 0.04%, RES = 1.40%, SM = 0.18%, UNIV = 0.41%.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5145 for a one-year term.

RIGHT OF ENTRY NO. 5146 (APPROVAL)

On March 28, 2008, the School and Institutional Trust Lands Administration received an application from North Wash Outfitters, LLP, c/o Jarod Hillhouse, P.O. Box 57, Bluff, UT 84512, to occupy the following described trust land located within San Juan County to conduct commercial guided hikes for a one-year term:

T40S, R21E, SLB&M

Sec. 24: Within

T40S, R22E, SLB&M

Sec. 19: Within

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts based on number of clients, number of client days, and percentage of time spent on trust lands, within 30 days of permit expiration date. Beginning date: April 1, 2008. Expiration date: March 31, 2009. San Juan County. School Fund.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5146 for a one-year term.

EASEMENTS**EASEMENT NO. 1312 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Lisbon Valley Mining Co.

P.O. Box 248

920 S. County Road 313

La Sal, Utah 84530

LEGAL DESCRIPTION:

Township 30 South, Range 25 East, SLB&M

Section 36: E $\frac{1}{2}$ NE $\frac{1}{4}$ (within)

A 50 foot wide easement being 25 feet on each side of the following described centerline:

Beginning at a point on the east line of Section 36, Township 30 South, Range 25 East, SLB&M, said point being located at 38° 8' 4.8696" North Latitude and -109° 7' 7.6944" West Longitude and thence running northwesterly approximately 840 feet to a point located at 38° 8' 9.8268" North Latitude and -109° 7' 15.8736" West Longitude; thence running northerly approximately 1820 feet to a point located at 38° 8' 27.4092" North Latitude and -109° 7' 19.6032" West Longitude; thence running northwesterly approximately 320 feet to a point located at 38° 8' 29.9364" North Latitude and -109° 7' 21.6660" West Longitude. All coordinates are NAD 1927. Contains 3.42 acres more or less.

COUNTY: San Juan

ACRES: 3.42

FUND: School

EASEMENT NO. 1312 (APPROVAL) (CONTINUED)**PROPOSED ACTION:**

The applicant requests an easement to construct, operate, repair, and maintain an overhead power line. This proposed power line will replace an existing power line which must be removed in order to facilitate an expansion of the applicant's mining operation. The new power line will be 13.8 kV and will be strung on poles placed 350 feet apart. The proposed easement corridor is approximately 2980 feet long and 50 feet wide, containing 3.42 acres. The proposed term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on September 5, 2007. Comments were received from the Southeastern Utah Association of Governments as follows:

Southeastern Utah Association of Governments:

"Favorable comment recommended."

The applicant has been notified of the comments submitted by the RDCC.

The project area has been previously surveyed for cultural resources by Metcalf Archaeological Consultants (U-95-MM-0414b) with a finding of "No Historic Properties Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1312 for a term of 30 years beginning April 1, 2008, and expiring March 31, 2038, with the easement fee being \$3,250.91 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement with the first payment being due on January 1, 2011.

RIGHT OF WAY NO. 2045 (ASSIGNMENT)

Dominion Exploration & Production, Inc., 14000 Quail Springs Parkway, Suite 600, Oklahoma City, Oklahoma, 73134, has requested permission to assign 100% of its interest in Right of Way No. 2045 to XTO Energy Inc., 810 Houston Street, Fort Worth, Texas, 76102. Right of Way No. 2045 was issued on January 12, 1981, for a 10-inch diameter natural gas pipeline for a perpetual term.

The term of the right of way has been amended to a term of years through a previous assignment, as documented in the Director's Minutes of January 22, 1997. The difference between what was originally charged for the easement and current easement rates was also paid at the time of this previous assignment. Therefore, the requirements for assignment pursuant to Rule R850-40-1600 have been met.

The required \$250.00 assignment fee has been paid. The expiration date of the easement remains January 12, 2011. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of Right of Way No. 2045.

RIGHT OF WAY NO. 2252 (ASSIGNMENT)

Dominion Exploration & Production, Inc., 14000 Quail Springs Parkway, Suite 600, Oklahoma City, Oklahoma, 73134, has requested permission to assign 100% of its interest in Right of Way No. 2252 to XTO Energy Inc., 810 Houston Street, Fort Worth, Texas, 76102. Right of Way No. 2252 was issued on February 19, 1982, for a buried 5-inch diameter natural gas pipeline for a perpetual term.

The term of the right of way has been amended to a term of years through a previous assignment, as documented in the Director's Minutes of January 22, 1997. The difference between what was originally charged for the easement and current easement rates was also paid at the time of this previous assignment. Therefore, the requirements for assignment pursuant to Rule R850-40-1600 have been met.

The required \$250.00 assignment fee has been paid. The expiration date of the easement remains February 19, 2012. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of Right of Way No. 2252.

EASEMENT NO. 145 (ASSIGNMENT)

Dominion Exploration & Production, Inc., 14000 Quail Springs Parkway, Suite 600, Oklahoma City, Oklahoma, 73134, has requested permission to assign 100% of its interest in Easement No. 145 to XTO Energy Inc., 810 Houston Street, Fort Worth, Texas, 76102. Easement No. 145 was issued on May 20, 1992, for an access road to service the NBU-13-14F Well. Pursuant to Rule R850-40-1600, it has been determined that there is no difference between what was originally paid for the easement and what would be charged for the easement at this time, therefore no additional easement fees are required.

The required \$250.00 assignment fee has been paid. The expiration date of the easement remains December 31, 2021. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of Easement No. 145.

EASEMENT NO. 173 (ASSIGNMENT)

Dominion Exploration & Production, Inc., 14000 Quail Springs Parkway, Suite 600, Oklahoma City, Oklahoma, 73134, has requested permission to assign 100% of its interest in Easement No. 173 to XTO Energy Inc., 810 Houston Street, Fort Worth, Texas, 76102. Easement No. 173 was issued on August 12, 1992, for an access road to service the NBU-9-14F Well. Pursuant to Rule R850-40-1600, it has been determined that there is no difference between what was originally paid for the easement and what would be charged for the easement at this time, therefore no additional easement fees are required.

The required \$250.00 assignment fee has been paid. The expiration date of the easement remains December 31, 2021. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of Easement No. 173.

EASEMENT NO. 414, RIGHT OF WAY NO. 3106 (NAME CHANGE)

This office has received notification that the name and address for the above referenced documents should be changed from El Paso Production Oil & Gas Company to El Paso E&P Company, LP, 1099 18th Street, Suite 1900, Denver, Colorado, 80202. A copy of the Certificate of Amendment changing the name to El Paso E&P Company, LP has been provided to the Trust Lands Administration. A name change fee of \$15.00 per document has been paid, totaling \$30.00. Duchesne and Uintah Counties. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the name change request.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE NO. 1124 (CANCELLATION AND REFUND OF RENTAL)**

The Trust Lands Administration conducted an auction on March 28, 2008, the result of which was the sale of the following lands included under PS 8398:

Township 20 South, Range 16 East, SLB&M

Section 21: E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 27: N $\frac{1}{2}$ NE $\frac{1}{4}$

As the entirety of the land leased under SULA 1124 is contained in PS 8398, the lease should be canceled and the previously submitted rentals attributed to the remainder of the lease year should be refunded. **The refund will be \$871.50 and should be sent to Tim Vetere, P.O. Box 404, Green River, Utah 84525.** Grand County. RES and NS Funds.

Upon recommendation of Mr. Richard Wilcox, the Director approved the cancellation of SULA 1124 and ordered a refund in the amount of \$871.50 be sent to Tim Vetere, P.O. Box 404, Green River, UT 84525.

SPECIAL USE LEASE AGREEMENT NO. 1183 (AMENDMENT)

SULA 1183 is issued to Garfield County, P.O. Box 77, Panguitch, UT 84759, for use as airport runways, facilities, and buffer areas. The lessee has requested that the lease be amended to add the following described land:

Township 36 South Range 3 West, SLB&M

Section 6: SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$

This additional land is needed to allow for the access road to the airport to be relocated. A portion of the road is currently located in the Clear Zone at the south end of the existing runway and the FAA is requiring that it be moved. The new acreage on the lease will be 219.06 acres. The \$400.00 amendment fee and the rental of \$108.75 for the additional acreage have been received.

Although lease amendments are not specifically exempted from the narrative record of decision process, it has been determined that this action is not substantive, nor does it warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Lou Brown, the Director approved the amendment to increase the acreage on SULA 1183.

SPECIAL USE LEASE AGREEMENT NO. 1445 (AMENDMENT - TERM EXTENSION)

SULA 1445 is a residential lease issued to the Brenda Woodard, Kenneth Valdez, and Harry Brown, all as Joint Tenants, P.O. Box 817, East Carbon, UT 84520. This lease was approved on June 3, 2005, for a 20-year term, and will expire its term on June 30, 2025. The lessee is proposing to invest significant money into drilling a well and other improvements on the lease. The well and water right, which will be vested with the Trust Lands Administration, will add significant value to the property along with the other proposed improvements to the existing buildings. The applicant is requesting that the lease term be extended for an additional 31 years to help amortize out these investments. A 31-year extension will make the term of the lease 51 years, which is allowable under rule. The lease is current as to form and is returning fair market lease rental. A \$400.00 amendment fee has been paid by the applicant. Carbon County. School Fund.

Although lease amendments are not specifically exempted from the narrative record of decision process, it has been determined that this action is not substantive, nor does it warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Lou Brown, the Director approved the amendment of term from 20 years to 51 years on SULA 1445, with the new lease expiration date being June 30, 2056.

SPECIAL USE LEASE AGREEMENT NO. 1275 (TERMINATION OF LEASE AGREEMENT)

Price River Water Improvement District, 265 South Fairgrounds Road, P.O. Box 903, Price, Utah 84501, holds Special Use Lease Agreement No. 1275, located in Carbon County. The lease began June 1, 2000, for a term of 30 years for the purpose of constructing and operating a water haul station on 0.49 acres within the NE¹/₄SE¹/₄NE¹/₄ of Section 8, T15S, R10E, SLB&M. The lessee has requested that Special Use Lease Agreement No. 1275 be terminated, as the subject property is not currently being used and, for the foreseeable future, will not be used. The lease fee is currently \$600.00 per year. The Trust Lands Administration has reviewed the lease and feels that it would be in the best interest of the Trust Beneficiaries to terminate the lease. An Agreement to Terminate has been prepared, outlining the conditions of lease termination. The lease will terminate June 1, 2009, subject to the lessee's compliance with the terms of the lease and as outlined in the Termination Agreement. Carbon County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the termination of Special Use Lease Agreement No. 1275.

SPECIAL USE LEASE AGREEMENT NO. 1453 (ASSIGNMENT)

Pursuant to R850-30-900, Dominion Exploration & Production Inc., 14000 Quail Springs Parkway #600, Oklahoma City, OK 73134, requests permission to assign 100% of its interest in the above-referenced lease to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102. Continuation of the existing lease form is clearly in the best interest of the Beneficiaries pursuant to R850-30-900(5)(a). No additional fees are assessed. The \$250.00 assignment fee has been submitted. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the assignment of SULA 1453.

SPECIAL USE LEASE AGREEMENT NO. 1477 (ASSIGNMENT)

Pursuant to R850-30-900, Dominion Exploration & Production Inc., 14000 Quail Springs Parkway #600, Oklahoma City, OK 73134, requests permission to assign 100% of its interest in the above-referenced lease to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102. Continuation of the existing lease form is clearly in the best interest of the Beneficiaries pursuant to R850-30-900(5)(a). No additional fees are assessed. The \$250.00 assignment fee has been submitted. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the assignment of SULA 1477.

SPECIAL USE LEASE AGREEMENT NO. 1570 (RECLAMATION BOND)

Pursuant to Paragraph 21 of the lease agreement, Delta Petroleum Corporation, 370 17th Street, Suite 4300, Denver, CO 80202, has submitted Corporate Surety Bond No. B004234. The bonding company is U.S. Specialty Insurance Company, 13403 Northwest Freeway, Houston, TX 77040. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Grand County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1570.

SPECIAL USE LEASE AGREEMENT NO. 1201 (RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, Crown Communication, Inc., 2000 Corporate Drive, Canonsburg, PA 15317, has submitted Corporate Surety Bond No. K0812209A. The bonding company is Westchester Fire Insurance Company, 436 Walnut Street, W10H, Philadelphia, PA 19106-3703. The reclamation bond is for \$10,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Millard County. School Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the bond submitted for SULA 1201.

SPECIAL USE LEASE AGREEMENT NO. 1202 (RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, Crown Communication, Inc., 2000 Corporate Drive, Canonsburg, PA 15317, has submitted Corporate Surety Bond No. K08122131. The bonding company is Westchester Fire Insurance Company, 436 Walnut Street, W10H, Philadelphia, PA 19106-3703. The reclamation bond is for \$10,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Iron County. School Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the bond submitted for SULA 1202.

SALES

PRE SALE NO. 8398 (GREEN RIVER)

Public Pre Sale No. 8398
Certificate of Sale No. 26469
Date of Sale: March 28, 2008

Total Price: \$1,151,425
Terms: 50% down, balance financed for 2-year term, amortized as if for 20 years. The first payment is due April 1, 2009. A balloon payment of the balance is due on April 1, 2010.

TO WHOM SOLD AND ADDRESS:

Green River Ranches, LLC
124 South 400 East #360
Salt Lake City, UT 84111

Down payment:	\$575,712.50
Interest to April 1, 2008:	402.21
Advertising cost:	307.00
Appraisal cost:	3,995.00
Sale processing charge:	400.00
Application fee:	100.00
Cult. resource survey:	<u>12,500.00</u>
TOTAL:	\$593,416.71

LEGAL DESCRIPTION:

Township 20 South, Range 16 East, SLB&M

Section 21: SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$

Section 23: SW $\frac{1}{4}$

Section 26: NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: N $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 28: SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$

Section 34: Lot 2 (SW $\frac{1}{4}$ SE $\frac{1}{4}$), Lot 3 (SE $\frac{1}{4}$ SW $\frac{1}{4}$), Lot 4 (SW $\frac{1}{4}$ SW $\frac{1}{4}$), N $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

Section 35: Lot 3 (SE $\frac{1}{4}$ SW $\frac{1}{4}$), Lot 4 (SW $\frac{1}{4}$ SW $\frac{1}{4}$), N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$

Section 36: NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$

NUMBER OF ACRES BY COUNTY: 2,302.85 - Grand

NUMBER OF ACRES BY FUND: 520.00 (22.58%) – Reservoirs
400.00 (17.37%) – Normal School
1,382.85 (60.05%) – School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: SULA 1124 and portion of SULA 1437

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah, School and Institutional Trust Lands Administration, for the benefit of the Trust Lands Administration and its successors in interest, assigns, permittees, licensees and lessees from time to time, all coal and other mineral deposits, including all oil, gas and other hydrocarbons, along with the right for the Trust Lands Administration or such other authorized persons or entities to occupy and use as much of the surface as is reasonably necessary to prospect for, mine, and remove such deposits.

PRE SALE NO. 8398 (GREEN RIVER) (CONTINUED)

Reserving to the State of Utah, School and Institutional Trust Lands Administration, all interest in Mineral Lease Nos. 50107 and 50108, issued to Samson Resources Company for oil, gas & hydrocarbons, together with full rights of ingress and egress to prospect and develop any minerals associated with the said leases, including the right to occupy and use as much of the surface as is reasonably necessary to extract the minerals.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

There is reserved to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted archaeological sites on the parcel.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record, including:

- 1) Right of Way No. 759 issued to the Bureau of Land Management for a grazing allotment boundary fence (affects Section 34).
- 2) Right of Way No. 295 issued to the Utah Road Commission for State Road No. 268 (affects Section 28).
- 3) Easement No. 156 issued to the Grand County Road Department for a portion of the Hastings Road (affects Section 21).
- 4) Easement No. 1342 issued to Grand County for a portion of the Hastings Road (affects Section 28).
- 5) Easement No. 1366 issued to High Desert Excavating Inc. for an access road (affects Section 28).
- 6) Special Use Lease Agreement No. 1124 issued to Tim Vetere for agricultural purposes (affects Sections 21 and 27).
- 7) Special Use Lease Agreement No. 1437 issued to Green River Farms for agricultural purposes (affects Sections 23, 26, 27, 28, 34, 35, and 36).

Reserving to the Trust Lands Administration all interest in Water Right No. 97-2138 (a31738), and its base water rights, Nos. 92-645 and 92-646.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Richard Wilcox

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

SELECTIONS**QUANTITY GRANT SELECTION NO. 99 – UTAH STATE UNIVERSITY (CORRECTIONS TO AGRICULTURAL COLLEGE CLEAR LIST NO. 99)**

The Bureau of Land Management (“BLM”) notified the Trust Lands Administration by letter dated February 28, 2008, that the clear list issued as Agricultural College Clear List No. 99 contained numerous errors and should be corrected as follows:

- 1) The Clear List number should be 25, not 99.
- 2) The acreage for lands in Section 18 should be 78.40, not 78.25
- 3) The total acreage conveyed under the Clear List should be 118.40, not 118.25
- 4) The total aggregate of acreage certified under the Agricultural Quantity Grant, up through Clear List 25, is 197,382.25, not 196,582.91.

Rather than issue a new clear list, the BLM opted to note corrections made to the clear list and asked that the Trust Lands Administration correct their records and include a copy of BLM’s letter with those corrections. A copy of the letter has been placed in the appropriate files. Ownership acquisition records should be changed to show the corrections.

The legal description for this clear list is:

T42S, R14W, SLB&M Washington County
 Sec. 18: Lots 9, 21, 22, 24, 26, W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ Containing **78.40 acres** (not 78.25 acres)

T42S, R15W, SLB&M Washington County
 Sec. 13: E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$,
 E $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$,
 N $\frac{1}{2}$ N $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ Containing 40.00 acres

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

QUANTITY GRANT SELECTION NO. 100 – UTAH STATE UNIVERSITY (CORRECTIONS TO AGRICULTURAL COLLEGE CLEAR LIST NO. 100)

The Bureau of Land Management (“BLM”) notified the Trust Lands Administration by letter dated March 14, 2008, that the clear list issued as Agricultural College Clear List No. 100 contained two errors and should be corrected as follows:

- 1) The Clear List number should be 26, not 100.
- 2) The total aggregate of acreage certified under the Agricultural Quantity Grant, up through Clear List 26, is 197,586.46, not 196,787.12.

Rather than issue a new clear list, the BLM opted to note corrections made to the clear list and asked that the Trust Lands Administration correct their records and include a copy of BLM’s letter with those corrections. A copy of the letter has been placed in the appropriate files. Ownership acquisition records should be changed to show the corrections.

The legal description for this clear list is:

QUANTITY GRANT SELECTION NO. 100 – UTAH STATE UNIVERSITY (CORRECTIONS TO AGRICULTURAL COLLEGE CLEAR LIST NO. 100) (CONTINUED)

T42S, R14W, SLB&M

Washington County

Sec. 17: NW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$

Sec. 18: Lots 29, 30, 33, 35, 36, 38, 40, NE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

Containing 204.21 acres

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

TIMBER SALES

TIMBER SALE NO. 838 (APPROVAL – SEED COLLECTING CONTRACT)

Maple Leaf Company, 450 South 50 East, Ephraim, UT 84627, has submitted an application for a Director's sale to collect needle-n-thread grass seed on the following sections:

Township 21 South, Range 11 East, SLB&M

Section 36: All (640.00 acres)

Township 21 South, Range 12 East, SLB&M

Section 32: All (413.52 acres)

Section 36: All (640.00 acres)

Township 22 South, Range 12 East, SLB&M

Section 2: All (639.44 acres)

Section 16: All (640.00 acres)

Township 43 South, Range 1 East, SLB&M

Section 3: All (640.00 acres)

Section 4: All (640.00 acres)

Section 5: All (640.00 acres)

Section 6: Lots 1, 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$ E $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ (250.00 acres)

Section 8: All (640.00 acres)

Section 9: All (640.00 acres)

Section 16: All (640.00 acres)

Section 17: All (645.77 acres)

Section 18: All (693.59 acres)

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on March 4, 2008. The State Planning Coordinator's office responded stating that they "have not received any comments from any state agencies to date." The South Eastern Association of Local Governments responded with a favorable comment.

TIMBER SALE NO. 838 (APPROVAL – SEED COLLECTING CONTRACT) (CONTINUED)

The contract will begin on May 1, 2008, and expire on July 31, 2010. The applicant has paid \$2,000.00 plus a \$100.00 application fee. The purchaser shall pay the Trust Lands Administration a minimum payment of \$2,000.00 each year of the contract prior to harvesting activities each year. A 10% post-harvest payment will be paid within one month after harvest activities have ceased. This payment will be based on the total pounds of field harvested seed multiplied by ten percent of the un-cleaned seed value (“USV”). The USV will be based on statewide market values as determined on May 1 of each contract year for un-cleaned needle-n-thread grass (*Hesperostipa comata*), however, in no case will the USV be less than \$5.00/lb. A bond will not be required. Emery and Kane Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved Timber Sale No. 838.

PREDESIGNATIONS

PREDESIGNATION NO. 714 (REFUND OF APPRAISAL COST)

Predesignation No. 714 is for a parcel of land near Boulder, Utah, which the Agency has been working on for several years. An appraisal was recently completed on this project to help establish a value which could be used in discussions with an interested party. This interested party was required to pay for half of the appraisal cost. However, the Agency has since determined that the completed appraisal will be kept confidential and the indicated value will not be disclosed. Therefore, the **appraisal fee of \$2,250.00 should be refunded to the following: Boulder Creek Partners, L.C., P.O. Box 540478, North Salt Lake, UT. 84054.** Garfield County. School Fund.

Upon recommendation of Mr. Lou Brown, the Director approved the refund of the appraisal cost associated with Predesignation No. 714.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 13.0 Villas at Hidden Valley

This transaction has been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC
3143 SOUTH 840 EAST
SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 15	26418-13-15	03/26/08	19991-13-15	02/12/08	\$28,826.76	\$100.00	0.07	SCH	18

DEVELOPMENT SUBDIVISION SALE (VILLAS AT HIDDEN VALLEY) (CONTINUED)

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

DEVELOPMENT SUBDIVISION SALES

THE FOLLOWING SALES HAVE BEEN EXECUTED AND PATENTS ISSUED FOR:

SUBD 14.0 Casitas at Hidden Valley

These transactions have been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 7, Township 43.0 S, Range 15.0 W, SLBM
Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC
3143 SOUTH 840 EAST
SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 41	26419-14-41	03/27/08	19990-14-41	01/31/07	\$12,853.98	\$100.00	0.04	SCH	18
Lot 42	26419-14-42	03/26/08	19990-14-42	01/31/07	\$10,801.38	\$100.00	0.03	SCH	18
Lot 46	26419-14-46	03/27/08	19990-14-46	01/31/07	\$23,575.48	\$100.00	0.04	SCH	18

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

DEVELOPMENT SUBDIVISION SALE (CASITAS AT HIDDEN VALLEY) (CONTINUED)

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

CORRECTION**DEVELOPMENT SALE FOR PRICE INDUSTRIAL WEST (PS 8426)**

IN THE DIRECTOR'S MINUTES OF MARCH 28, 2008, PAGES 20 THROUGH 22, THE SECTION NUMBER REFERENCED UNDER THE LEGAL DESCRIPTION OF SALE PARCEL WAS REPORTED INCORRECTLY AS SECTION 9, AND HAS BEEN CORRECTED TO REFLECT **SECTIONS 5 & 8**.

CERTIFICATE OF SALE NO.:	26463
PATENT NO.:	20101
PROJECT:	Price Industrial West
PROJECT MANAGER:	Noah Steele
PROJECT CODE:	PRIND 003 00
FUND:	School
CERTIFICATE/SALE DATE:	March 10, 2008
PATENT DATE:	March 4, 2008
SALE PRICE:	\$175,000.00
BOARD APPROVED:	January 17, 2008

BUYER:

NIELSON BUSINESS PROPERTIES, LLC
a Utah limited liability company
P.O. Box 620
Huntington, Utah 84528

FINANCIAL INFORMATION:

Prior to Closing, the Trust Lands Administration deposited a fully executed and acknowledged patent to the surface estate of the subject property with the Escrow Agent, which patent was held in escrow. Said patent was without warranty and was subject to current taxes and assessments. The below described real property was sold for the sum of One Hundred Seventy-Five Thousand Dollars and 00/100 (\$175,000.00), which amount was paid to the Trust Lands Administration in full at closing.

LEGAL DESCRIPTION OF SALE PARCEL:

Township 15 South, Range 10 East, SLB&M

Sections 5 & 8: More particularly described as follows:

The following described parcel of land is located in the S2SE4 of Section 5 and the N2NE4 of Section 8, T15S, R10E, S.L.B.&M., Carbon County, UT. The property IS MORE SPECIFICALLY DESCRIBED AS FOLLOWS:

DEVELOPMENT SALE FOR PRICE INDUSTRIAL WEST (PS 8426) (CONTINUED)

BEGINNING AT A POINT 35.49 FEET NORTH AND 263.55 FEET WEST FROM THE NORTHEAST SECTION Corner of Section 8, T15S, R10E, Carbon County, Utah, S.L.B.&M, thence along a CURVE TURNING TO THE RIGHT THROUGH A DELTA ANGLE OF 75°39'43", HAVING A RADIUS OF 402.91 feet, AND WHOSE LONG CHORD BEARS N70°04'22"W FOR A DISTANCE OF 494.24 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE; THENCE N32°14'30"W, 1317.06 feet; THENCE S89°06'00"W, 240.03 feet; THENCE S00°00'00"E, 2623.00 feet TO THE NORTH OF THE EXISTING GRAVEL ROAD; THENCE N89°59'53"E, 106.43 feet; THENCE S87°16'31"E, 643.75 feet; thence S89°57'16"E, 303.62 feet to the beginning of a curve; thence to said curve turning to the left through a delta angle of 55°21'03", having a radius of 450.92 feet, and whose long chord bears N61°48'08"E, 418.87 feet to the beginning of a non-tangential curve; thence to said curve turning to the left through a delta angle of 10°38'31", having a radius of 6347.93 feet, and whose long chord bears N00°43'37"W for a distance of 1177.3 feet more or less to the point of beginning.

Containing 63.38 Acres, MORE OR LESS.

NUMBER OF ACRES BY COUNTY: 63.38 acres -Carbon County

NUMBER OF ACRES BY FUND: 63.38 acres -School

MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah all coal and other mineral deposits, along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

SURFACE RESERVATIONS:

Subject to any valid, existing rights of way and easements of any kind and any right, interest, reservation or exception appearing of record, including Grazing Permit No. 22930, Easement No. 378, Easement No. 489, Easement No. 193, Mineral Lease No. 38669, and Mineral Lease No. 38668; also

Subject to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute; also

Subject to the covenants and restrictions relating to archaeological resources, including rights of access to and excavation of the Sites reserved; also

Subject to the Area 1 limits of those portions of Archaeological Site 42CB1270 (the "Site"), located within the southeast corner of the parcel, shall be subject to the following restrictions hereinafter set forth, which shall be covenants running with the land in perpetuity, which shall be binding between the Trust Lands Administration and each and every purchaser and owner, their heirs, successors and assigns (referred to collectively as "Purchaser"). These covenants protect the Site and their settings, and require the Purchaser to seek approval from the Trust Lands Administration before conducting any ground-disturbing activities within the Site. Purchaser may not collect arrowheads or any other artifacts from the Site, or allow anyone else to collect such specimens, as ownership of all specimens is reserved to the Trust Lands Administration:

1. Ownership of all archaeological contexts, data, artifacts, specimens, structural remains, and archaeological features and deposits shall remain with the Trust Lands Administration or the State of Utah, as applicable.
2. For all activities conducted within the Site, Purchaser shall comply with the Utah Antiquities Act, *Utah Code Annotated* § 9-8-301 et seq. and § 9-8-404 (1953), as amended, or any amending or replacing legislation, as if the Trust Lands Administration held title to the Site, including but not limited to:

DEVELOPMENT SALE FOR PRICE INDUSTRIAL WEST (PS 8426) (CONTINUED)

A. Prior to commencing any undertaking (as defined in *Utah Administrative Code* Rule R850-60-200) within the limits of the Site, Purchaser shall consult with the Trust Lands Administration and seek approval for the proposed undertaking.

B. Approval shall be subject to the archaeological contexts, data, artifacts, specimens, structural remains, features and deposits contained in the Site being preserved, recovered, or otherwise treated in a manner satisfactory to the Trust Lands Administration.

C. Purchaser shall provide the Trust Lands Administration with all collections (i.e., specimens, unprocessed samples, notes, and photographs) resulting from archaeological investigations at the Site, and all subsequent data analyses and reports.

3. The Trust Lands Administration may, at its discretion, release the restrictive covenants in part or in their entirety in the event it determines, in consultation with the Utah Division of State History, that an appropriate level of data recovery has occurred.

4. The restrictive covenants are for the benefit of the Beneficiaries of the subject lands. The Trust Lands Administration or the Utah Division of State History may monitor compliance with, seek enforcement of, and be entitled to enjoin any violation of the restrictive covenants and to recover damages caused by the violation.

5. The Trust Lands Administration reserves a right of access in perpetuity across the subject lands to the Site within the parcel for the purpose of monitoring compliance with these restrictive covenants or for facilitation of archaeological research within said Site.

6. The Trust Lands Administration reserves the right, but does not covenant to conduct archaeological investigations at the Site, along with a right of access for the same, but does not covenant to cause any release of the restrictive covenants pursuant to Paragraph 3, above.

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

This item was submitted by Andrea L. James for record-keeping purposes.

ACTIONS CONTAINING FEE WAIVERS

GRAZING PERMIT NO. 20838 (NON-USE)

GP 20838 is issued to Ray and Robert Yardley, P.O. Box 1713, Beaver, UT 84713. The Trust Lands Administration is requiring Ray and Robert Yardley to take 100% non-use, due to the Milford Flat Wildfire and subsequent re-seeding, on GP 20838. SITLA, BLM, and UDWR shared the costs to re-seed the trust land sections within the Mineral Range BLM Allotment. The 2008/2009 grazing bill should be waived, except for the \$3.00 weed fee. The \$20.00 non-use fee will be waived as this is an Agency-initiated action. Beaver County. School Fund.

Upon recommendation of Mr. Torgerson, the Director approved the non-use for GP 20838.

SPECIAL USE LEASE NO. 1437 (APPROVAL OF AMENDMENT NO. 1, REDUCTION IN ACREAGE AND RENTAL; CREDIT OF RENTAL; RENUMBERING OF WATER RIGHT AND EXTENSION OF WATER RIGHT USE DATE)

On March 28, 2008, an auction was held, the result of which was the sale of those trust lands contained in PS 8398. As 2,102.85 acres leased under SULA 1437 were contained in PS 8398, the legal description of the lease should be amended to read as follows:

Township 21 South, Range 16 East, SLB&M

Section 1: SW $\frac{1}{4}$

Section 2: Lots 18, 19, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 11: E $\frac{1}{2}$ SE $\frac{1}{4}$

Section 12: NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 21 South, Range 17 East, SLB&M

Section 4: SE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 5: SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$

Section 6: Lots 8, 9, 15, 16, SE $\frac{1}{4}$

Section 7: Lots 1-3, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 8: NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$

Section 16: All

Grand and Emery Counties

The lease will now contain 2,461.42 acres, m/l. The acreage attributed to various Beneficiaries is now:

Utah State University: 160 acres; 6.5% of the total.

Miner's Hospital: 160 acres; 6.5% of the total.

Reservoirs: 80 acres; 3.25% of the total.

Schools: 2,061.42 acres; 83.75% of the total.

Paragraph 25(c) requires the lessee to put Water Right No. 97-2138 to beneficial use prior to July 1, 2006. As the delay in this action has been a result of a delay in getting approval from the Division of Water Rights, this date should be amended to July 1, 2008, with no penalty to the lessee. The Division of Water Rights has also changed the water right reference number to Water Right Change Application No. a31738, and its Base Water Rights, Nos. 92-645 and 92-646, should be so amended on the lease.

A prorated amount of previously paid rental attributed to the land which was sold, in the amount of \$363.81, should be credited to this account.

As this is an Agency-initiated action, the \$400.00 amendment fee will not be assessed.

Upon recommendation of Mr. Richard Wilcox, the Director approved the amendment of SULA 1437 and the credit of a prorated amount of previously submitted lease rental equaling \$363.81 to this account.

TRUST ACCOUNTING ACTIONS

CANCELED MINERAL LEASES

The following mineral leases were not paid on or before the cancellation date of 3/14/2008. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 48875	Sandy Nell, EtAl	SCH	BEAV	MM
ML 49601	Fletcher Kerby	SCH	GARF	MM

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed mineral leases for non-payment.

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	5.25%
ONE YEAR AGO:	8.25%